

SECRET

MUNITIONS BOARD
Washington 25, D.C.

MBXMA - 461

1 February 1950

Dear Admiral Hillenkoetter:

The inclosed copy of the letter of 29 December 1949 from Mr. Allan Evans, Director, Office of Intelligence Research, Department of State, is forwarded for your comments and recommendations. Mr. Evans proposes that the Munitions Board interim report "Vital Foreign Resources and Facilities Available to Support a United States Industrial Mobilization" be integrated into the National Intelligence Survey Program.

The basic material was compiled in response to a directive issued by the Secretary of Defense, 24 September 1948, to supply the needs of the Joint Chiefs of Staff. It was prepared to comply with NSC 29, 26 August 1948. Seven copies of this report were forwarded to your organization on 17 and 29 June 1949. The Munitions Board requested the Department of State to assist in the project under the appropriate provisions of NSC 29 and Mr. Allan Evans' letter was their reply.

25X1

[redacted] of your staff was present at a joint meeting held early in September between the staff of the National Security Resources Board and the staff of the Munitions Board. He is familiar with the entire project and the problem proposed. A similar letter is being addressed to Dr. Steelman, Acting Chairman, National Security Resources Board.

Sincerely yours,

/s/ Patrick W. Timberlake

PATRICK W. TIMBERLAKE
Major General, U.S.A.F.
Director of the Staff

Incl. - 1
Ltr frm Mr. Evans

Rear Admiral R. H. Hillenkoetter
Director, Central Intelligence Agency
2430 E Street, N. W.
Washington 25, D. C.

Army and State Department
review(s) completed

SECRET

SECRET

Approved For Release 2003/10/29 : CIA-RDP80R01731R003400140003-1
C O P Y DR-0-8826

DEPARTMENT OF STATE
Washington

December 29, 1949

My Dear Mr. Howard:

I regret very much the delay in replying to Mr. Carpenter's letter of June 21, 1949, concerning the first and second interim reports developed in the Munitions Board on the subject "Vital Foreign Resources and Facilities Available to Support a United States Industrial Mobilization". It had not been possible to schedule work on the project within this Office with a hope of a reasonable deadline and on the other hand I had been unable until now to suggest a constructive alternative approach.

This office has examined the material and concludes that to make an adequate review of the report in its present form would be a major research intelligence project of great scope. However, the nature and magnitude of the project fit it into the work of the National Security Resources Board and makes it very closely related to the National Intelligence Survey which is being carried out on an interdepartmental basis under the coordination of the Central Intelligence Agency.

It appears that in the near future the CIA will, under NSRB sponsorship, undertake to steer the development of an interdepartmental plan for intelligence for economic warfare, including mobilization of economic resources. This plan will undoubtedly call for integrated preliminary intelligence studies on major substantive problems, which in turn will probably be geared into the NIS Program. Since the Munitions Board's Report would seem to fit within the framework of both the NIS and the projected substantive economic warfare studies of the NSRB, this Office recommends that:

One, the Munitions Board present to the NSRB a proposal that the review of its report be integrated into the general work on economic warfare and

Two, through a representative of the Army, Navy, or Air Force it present its project for consideration before the National Intelligence Survey Coordinating Committee.

In this way the project can receive proper consideration in the allocation of priorities for the interdepartmental activities throughout the general field of intelligence for economic warfare.

Sincerely yours,

/s/ Allen Evans
Director

Office of Intelligence Research

SECRET